



Workforce Innovation and Opportunity Act Policy
Employment System Administration and Policy

Washington envisions a nationally recognized fully integrated One-Stop system with enhanced customer access to program services, improved long-term employment outcomes for job seekers and consistent, high quality services to business customers. In order to achieve this vision, Employment System Administration and Policy sets a common direction and standards for Washington's WorkSource system through the development of WorkSource system policies, information memoranda, and technical assistance.

Policy Number: 5619
To: Washington WorkSource System
Effective Date: March 25, 2016
Subject: Increased Capacity Training

1. Purpose:

To provide guidance on increased capacity training (ICT) under Title I of the the Workforce Innovation and Opportunity Act (WIOA).

2. Background:

Competitively procured contracts may be used to pay for group training, in lieu of individual training accounts, when the training is otherwise approvable under federal and state law and policy, and only if the individual's rights for consumer choice are not superseded.

ICT contracts should be considered when a lack of training capacity limits customer choice and customers are not able to enroll in training of their choice on a timely basis or are otherwise required to choose another training program. This could occur because there are an insufficient number of Eligible Training Providers (ETPs) locally to fully utilize Individual Training Accounts (ITAs).

ICT may be used when it is efficient to contract with an effective local community-based organization (CBO) or other private organization training program to do the training.

ICT contracts should also be considered when it would facilitate the training of multiple individuals in high-demand occupations.

3. Policy:

- a. LWDBs may use the state's [Eligible Training Provider \(ETP\) List](#) to select ICT providers. If they wish to expand to other training providers, LWDBs must establish local criteria for determining the demonstrated effectiveness of the contracted ICT provider, including:
 - i. Financial stability of the provider (e.g., how long in business, financial statements, etc.);
 - ii. Performance in delivering services to hard to serve populations. Performance may be demonstrated by:
 - A. Program completion rates
 - B. Skill attainment levels
 - C. Certificates, credentials or degrees delivered
 - D. Placement rates in unsubsidized employment
 - E. Employment retention rates, and/or
 - F. Connection of the training program to needs identified in the local plan.
- b. LWDBs that intend to use ICT must describe in their local plans:
 - i. The competitive process to be used to procure contract services.
 - ii. How training services will be provided using training contracts.
 - iii. How the LWDB will serve as the point of access to contracted training services for participants.
 - iv. How services are to be coordinated with individual training accounts.
 - v. How the LWDB will ensure informed customer choice in selecting training programs regardless of how those services are provided.
 - vi. How costs will be shared.
 - vii. How contracted training providers will be monitored and audited.
- c. ICT must be competitively bid in accordance with applicable federal and state laws, rules and policies.
- d. ICT must directly link to an in-demand industry sector or occupation, or a sector with high potential for sustained demand or growth, either locally or where participants are willing to relocate.
- e. ICT and individual training accounts can be combined to provide training services, including to allow individuals with ITAs to obtain contracted training services.
- f. ICT contracts must at a minimum document the following:
 - i. The type of training provider (e.g., non-profit, private career school, college, etc.).
 - ii. The type of training program and credential.
 - iii. How the provider will record and report participant information and expenditures.
 - iv. Detailed information about costs and payments.
 - v. Outcome and performance measures to be used.
 - vi. An agreement to adhere to state and local policies.
 - vii. Any required boilerplate language.

- h. Each training contract recipient and subrecipient must:
- i. Maintain a written code of standards or conduct governing the performance of persons engaged in the award and administration of WIOA contracts and subgrants.
 - ii. Ensure that no individual in a decision-making capacity shall engage in any activity, including participation in the selection, award, or administration of a subgrant or contract supported by WIOA funds, if a conflict of interest (real, implied, or apparent) would be involved.
- i. No member of the LWDB can cast a vote, or participate in any decision-making capacity, on the provision of ICT contract services by such member (or any organization which that member directly represents), or on any matter that would provide any direct financial benefit to the member or to the member's organization.
- j. The governor may approve a waiver to allow the LWDB to be a provider of ICT according to the process that will be outlined in WIOA Title I Policy 5404 (Procurement and Selection of One-Stop Operators and Service Providers).

4. **Definitions:**

Consumer choice – Any individual eligible for WIOA training shall receive services that maximize his or her choice to select and be referred to training from the list of eligible training providers, and eligible for payment for those training services through an individual training account, coordinated with funding from other training program sources. Priority should be given to training that leads to recognized post-secondary credentials aligned with in-demand industry sectors or occupations.

Contract for services – Contracting with an entity to provide training to a classroom.

Eligible training provider – A provider on the official list of training programs eligible to provide training to individuals who qualify for an ITA funded by the WIOA, or for additional weeks of unemployment insurance benefits through the Washington State Training Benefits Program.

Pay-for-performance contract – A contract for a specified fixed amount paid for training services provided by an eligible service provider within a defined timetable, and which may provide bonus payments to that provider to expand their capacity to provide effective training. The eligible service provider must achieve specified levels of performance on primary performance indicators for target populations as identified by the local board.

5. **References:**

- Public Law 113-128, Workforce Innovation and Opportunity Act of 2014; Section 134(c)(3)(F)(i) through (v) and (G)(ii) - Use of Funds For Employment and Training Activities; Section 108(b)(19) - Local Plan Contents; and Section 121(e)(1)(B) - Establishment of One-Stop Delivery Systems

- Proposed 20 CFR 680.320(a)(4) - Under what circumstances may mechanisms other than Individual Training Accounts be used to provide training services?
- [Washington Career Bridge](#)
- [WIOA Title I Policy 5404](#) – Procurement and Selection of One-Stop Operators and Service Providers

6. Supersedes:

N/A

7. Website:

http://www.wa.gov/esd/1stop/policies/wioa_title1.htm

8. Action:

Local Workforce Development Boards and their contractors, as well as Employment Security Regional Directors, must distribute this policy broadly throughout the system to ensure that WorkSource System staff are familiar with its content and requirements.

9. Attachments:

None.

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